12th May, 1997 to review the implementation of Long Term Action Plan for KBK in Orissa by the Committee of Secretaries; and

(b) if so, the details thereof?

THE MINISTER OF RURAL AREAS AND EMPLOYMENT (SHRI K. YERRANNAIDU): (a) Yes, Sir.

(b) The annual Plan for the current year envisages an outlay of Rs. 393.32 crores of which the normal flow of funds would be Rs. 249.43 crores, while the additionality envisaged is Rs. 143.95 crores. It was decided that the additionalities envisaged in the LTAP in the various sectors would be considered by the concerned Ministries/Departments based upon specific proposals for new or additional schemes/projects being submitted by the Government of Orissa with full justification. The concerned Ministries/Departments would provide the additional funds to the extent possible through their existing budgets. In case of any shortfall, Ministry of Finance and Planning Commission may be approached to augment the outlay as may be required.

Measures for Improving conditions of prisons

*14. SHRI MD. SALIM: Will the Minister of HOME AFFAIRS be pleased to state:

(a) whether the Supreme Court has issued notices ot the Union and all State Governments asking their responses within three months on certain legislative and administrative measures suggested by the Hon'ble Court to improve conditions of prisons and to provide better facilities to prisoners;

(b) if so, the details of the suggestions given by the Supreme Court; and

(c) the steps taken by Government in this regard?

THE MINISTER OF HOME AFFAIRS (SHRI INDRAJIT GUPTA): (a) and (b) Yes, Sir. In its judgement dated 23-12-1996, the Supreme Court has highlighted the prevailing conditions in the prisons and his emphasised the need to take appropriate decision on the recommendations of the Law Commission of India made in its 78th Report on the subject of 'Congestion of undertrial prisoners in Jail' as contained in Chapter 9, to consider the suggestions of the Mulla Committee relating to streamlining the remission system and parole, to deliberate about enacting of a new Prison Act to replace the Indian Prison Act, 1894, to examine the question of framing of a model new All India Jail Manual, to improve medical facilities and hygenic conditions, to think about liberalisation of communication facilities, to take needful steps for streamlining of jail visits and to ruminate on the question of introduction of open air prisons at least in the district headquarters of the country.

(c) 'Prisons' is a State subject as per List II of the Seventh Schedule of the Constitution of India. A meeting of Home/Prison Secretaries of State Governments/UT Administrations was convened in February 1997 to discuss various aspects of the judgement. The Central Government has stressed upon the State Governments/UT Administrations the need to implement the suggestions of the Supreme Court. The Central Government has also initiated action on the points concerning it.

Investment from Private and Foreign Investors to Strengthen the Infrastructure

*15. SHRI GOVINDRAO ADIK: Will the Minister of SURFACE TRANSPORT be pleased to state:

(a) whether Government have taken series of Policy decisions to facilitate

investment from private and foreign investors to strengthen the infrastructure in the country;

(b) if so, the details thereof alongwith the project investment committed by the private/foreign investors with State-wise break-up as on 30th June, 1997;

(c) whether it is a fact that inspite of high declaration the actual results achieved in terms of the foreign/private investment have been far below expectation and if so, the reasons therefor; and

(d) whether new strategies are being worked out for attracting huge investment and efficient execution of the projects and if so, the details thereof particularly for projects in Maharashtra?

THE MINISTER OF SURFACE TRANSPORT (SHRI T. G. VENKATRAMAN): (a) Yes, Sir. Ministry of Surface Transport is concerned with the Roads and Ports sector of the infrastructure.

(b) Major policy decisions taken for investment in roads and ports from private and foreign investors are as under:—

A. *Road Sector*

(i) Road Sector has been declared as an industry to facilitate commercial borrowing;

(ii) Certain tax/fiscal concessions like tax holiday for five years and 30% deduction in the tax over the subsequent 5 years may be extended to be availed of in any period within 20 years of the commissioning of the project; exemption of import duty on identified highway construction high quality equipments; incentives to financial institutions to provide long term finance for highways through deduction upto 40% of their taxable income from such investments, have already been approved.

(iii) Where housing and other development activities are an integral part of the highway project, land required for the same would be treated as land required for public purpose.

(iv) Creation of Infrastructure Development Finance Company (IDFC) with an authorised capital of Rs. 5000 crore to enable entrepreneur to have access to cheaper funds for investment in the road sector.

(v) Providing capital to National Highways Authority of India (NHAI) to leverage this capital to generate more private investments into Highway Sector.

(vi) NHAI to invest in the equity of a company promoted with public sector/ private sector companies or State Governments upto 30% of the total equity other directly or on deferred basis.

(vii) Where housing and other development activities are integral part of highway project, profits from such activities, to the extent they are ploughed back to the highway project, development will be eligible for tax concession available to infrastructure sector.

(viii) Comprehensive guidelines for taking up projects under BOT Scheme have been approved.

(ix) National Highways Act has been amended to facilitate the acquistion of land required for the improvement of the existing National Highways.

(x) The projects involving widening of existing highway would be exempted from environmental and forest clearance.

(xi) The Act also enables the Central Government to make investment or to give loans/grants to NHAI for enabling it to discharge its functions efficiently. This also permits NHAI to engage or entrust any of its function to any person on prescribed terms.

(xii) For improved sections of National Highways, bridges and Road over bridges, Rail Bridges, tolls can be levied

in perpetuity and the funds so collected can be utilised for future development of National Highways.

(xiii) National Highways Authority of India/Government of India has been authorised to invest upto 40% of project cost to make the project viable.

B. *Port Sector*

The Major Port Trusts have been authorised to invite private sector participation in:

(i) Leasing out existing assets of the port;

(ii) Construction/Creation of additional assets, such as:—

(a) construction and operation of container terminals.

(b) construction and operation of bulk, break bulk, multipurpose and specialised cargo berths.

(c) Warehousing, Container Freight Stations, Shortage facilities and tank farms.

(d) Crange/Handling Equipment.

(e) Setting up of captive power plants.

(f) Dry docking and ship repair facilities.

(iii) Leasing of equipment for port handling and leasing of floating crafts from the private sector.

(iv) Pilotage (only for Indian National).

(v) Captive facilities for port based industries.

In the road sector, 4 projects with an estimated cost of Rs. 101 crores have been awarded in the States of Maharashtra, Gujarat, Rajasthan and Andhra Pradesh. In the ports sector, an approximate amount of Rs. 1470 crores of private investment has been offered for 9 projects in various ports. One contract for over Rs. 700 crore has been signed for construction of a container terminal at Jawaharlal Nehru Port.

(c) The incentives to private sector have only been announced recently.

(d) New strategies are being continuously evolved for attracting private sector investment in the country as a whole and not any State in particular.

Modernisation plan for NTC Mills

*16. SHRI YERRA NARAYANASWAMY: Will the Minister of TEXTILES be pleased to state:

(a) whether the Union Government have dropped Rs. 2005 crore modernisation plan for NTC mills submitted by the former Textile Minister Mr. G. Venkata Swamy;

(b) if so, the reasons therefore; and

(c) the action taken to revive the viable units?

THE MINISTER OF TEXTILES (SHRI R.L. JALAPPA): (a) to (c) On account of their net worth erosion, 8 out of the 9 subsidiaries of NTC have been referred to and declared sick by the BIFR. Government approved a revised Turn Around Plan in May, 1995, envisaging modernisation of 79 mills at a cost of Rs. 2005.72 crores, restructuring of 36 unviable units into 18 viable units by merger etc. The funds for modernisation have to be raised from sale of surplus lands and assets. Due to the reluctance of the State Government of Maharashtra to approve the sale of surplus lands of the Mumbai mills from where more than 80% of the sale proceeds are estimated and since the BIFR has not yet approved the package, the Turn Around Plan could not be taken up till date. In this background, the NTC has reviewed the unitwise viability, keeping in view the concessions agreed to by the Govt. in 1995 and the concept of net worth becoming positive. The report of the NTC is under consideration of the Government.